

# IDAHO

## DEPARTMENT OF COMMERCE

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### FY 2008-2011 Strategic Plan

July 1, 2007

Note: This is a one-year update to the Department's Strategic Plan and will be effective on July 1, 2007. The plan is subject to review and updating by the new Director, the Department Advisory Councils and the Governor.

## Introduction

Idaho's citizens say the state's economy, education system and job creation are the three most important issues facing Idaho today.

As U.S. and global economies strengthen, Idaho's economic potential is expected to exceed its neighboring states. If we address the priorities articulated by our citizenry, Idaho will keep business costs affordable and invest in attributes that foster leadership, an educated and technically skilled workforce and public infrastructure facilities. These investments, coupled with a focused marketing effort, will position Idaho nationally as a place of economic opportunity and high quality of life.

This plan outlines the Idaho Department of Commerce (IDC) mission and goals for promoting increased economic opportunity for all Idaho's citizens. The strategies, tactics and performance standards are prioritized with input from more than 1,000 business leaders representing both the public and private sector. Input was also gathered from a series of regional workshops held around the state as well as from the Department's advisory councils, including the Idaho Economic Advisory Council, the Idaho Travel Council, the Science and Technology Advisory Council and Idaho Rural Partnership.

## VISION

Idaho Department of Commerce, as the state's lead agency for job creation, building communities and marketing the state, envisions an Idaho that possesses:

- A diverse economy;
- A skilled and educated workforce;
- State of the art public facilities;
- Progressive leadership;
- A willingness to cultivate next generation technologies;
- Industries that care about Idaho's environment;
- Businesses that see Idaho as their home and the world as a marketplace.

## MISSION

Create jobs, strengthen communities and market Idaho.

## CORE VALUES/GUIDING PRINCIPLES

### Customer Focus - Internal and External

Customers are our top priority. We treat all customers as we wish to be treated. We strive to understand their needs and expectations and align Department services to meet those needs. We respond with timely, responsive and flexible services. We strive to work cooperatively with all our customers, including local, state, tribal and federal government officials as well as customers within our Department.

### Creating a Positive Culture

We are creative, innovative and flexible. We make decisions based on knowledge and facts. We continuously seek to improve quality of service. We value teamwork. We encourage participative decision-making. We are responsive, efficient, effective and prompt. We are part of the solution.

### Building Capacity

We value our employees. We give credit and share rewards. We cooperate and help others grow. We listen to our employees so we can understand their needs and communicate freely with them. We identify mutual benefits. We are an innovative, solution-oriented team. We provide our employees with the tools and training they need to do their jobs and provide quality customer service.

### Ethical Conduct

We use public resources responsibly. We treat others with respect and dignity. We value and expect honesty and integrity. We are responsible and accountable for our actions.

## PROGRAMS and SERVICES

Idaho Department of Commerce works to create jobs and advance the welfare and prosperity of its citizens, upgrade public facilities necessary for economic growth and promote Idaho's products, people and places. Committed to ensuring access to a comprehensive menu of quality services, education, training and information for all its customers and partners, the agency offers many economic development programs such as:

**BUSINESS DEVELOPMENT SERVICES** help existing Idaho businesses start up, expand and find new markets; attract new businesses to Idaho; assist local economic development efforts; and disseminate economic and demographic data.

**THE IDAHO OFFICE OF SCIENCE & TECHNOLOGY** helps entrepreneurs create new businesses and job opportunities across the industry sector; bolsters industry-related research and development activities; and brings together the state's government, education, private sector and research resources to foster long-term growth in science and technology.

**COMMUNITY AND RURAL DEVELOPMENT** provides financial and technical assistance to Idaho's cities and counties for construction and rehabilitation of public facilities necessary to support economic diversification, job creation, business expansion and a sense of community.

**THE IDAHO RURAL PARTNERSHIP** [now administered by the Idaho Department of Agriculture] fosters collaboration between public and private resources to strengthen communities and

improve life in rural Idaho and promotes mediation between the federal, state and private sector.

**INTERNATIONAL TRADE** helps Idaho's businesses export goods and services, develop new markets, increase foreign awareness and acceptance of Idaho's products and services. The International Trade Division also coordinates the state's protocol efforts.

**TOURISM DEVELOPMENT** works to expand Idaho's tourism and recreation industry by marketing the state's travel opportunities at home and abroad; distributes grants to communities to promote tourism; develops, solicits and promotes tourism events; and develops the state's film industry.

**MARKETING ASSISTANCE** improves capabilities of businesses to market products and services domestically and abroad and assists communities to market local travel attractions and economic development opportunities. IDC also offers a variety of educational programs that advocate for a unified marketing and communications strategy between the public and private sector on behalf of the State of Idaho.

**ADMINISTRATION** provides key fiscal, personnel, information technology and administrative support services to the department.

## EXTERNAL FACTORS

Various factors occurring internationally, nationally and locally have the potential to significantly affect the Idaho Department of Commerce's ability to achieve the goals and objectives outlined in this plan.

### THE ECONOMY

The national and international economies affect Idaho's overall business climate and export industries. Likewise, Idaho's economy is greatly affected by the value of commodity prices such as semiconductors and agricultural crops. Reductions in federal spending for defense, agriculture, energy and public land management may increase unemployment and impact small businesses dependent on federal contracting opportunities.

- **Workforce Availability** An ample supply of trained workers is critical to Idaho companies seeking to expand and to companies considering relocating to Idaho. Idaho's capacity to prepare workers with skills meeting the demands of employers will increase its ability to retain and attract quality companies providing high paying jobs.
- **Interest Rates** have a profound impact on the economy, business expansion and job creation. Higher rates slow economic expansion and make it more difficult for business to obtain financing.
- **Currency Values**, especially the value of the American dollar relative to other currencies, affect volume and direction of international trade flow as well as the number of international visitors. A weaker dollar relative to foreign currencies can make Idaho's products and services and travel opportunities more affordable to foreign buyers.

- **International Trade/Factors** affect export sales. Trade agreements such as the North American Free Trade Agreement and the General Agreement on Tariffs and Trade provide both opportunities and challenges for Idaho companies. While the agreements open new export markets, they also increase worldwide competition. International health issues such as avian flu may impact the willingness of Idaho's companies to travel and conduct business in international markets. They also can affect the ability of international companies, their employees and foreign visitors to travel and conduct business in Idaho.
- **Energy Costs** affect the cost of doing business in Idaho. Increased power costs nationally, drought and impediments to development of conventional or alternative power generation facilities can reduce availability of power and negatively impact all sectors of Idaho's economy.
- **Availability of and Access to Health Care and Health Insurance** are critical needs in much of Idaho, especially in rural areas of the state.
- **Availability of and Access to Affordable Housing** and health care are critical needs throughout much of the state.
- **Federal, State and Local Taxes and Regulations** affect all business and community development activities. Stable, equitable tax systems and a fair and predictable regulatory environment make Idaho more competitive in business recruitment and expansion activities.
- **Public Land Management Policies** can affect growth and profitability of Idaho's agriculture, forest products, mining and outdoor recreation industries.
- **War/Terrorist Attacks** Responses to these factors impact attitudes regarding business development and expansion as well as business and leisure travel decisions.

## LEGISLATIVE ENVIRONMENT

Federal funding levels affect the Idaho Community Development Block Program that provides infrastructure development assistance in support of new or expanding businesses. These funding levels also affect the Idaho Business Network that assists businesses to obtain contracts to provide goods or services to government agencies and large corporations.

The Strengthening Idaho Act of 2006 authorized Idaho Department of Commerce to administer several legislative projects designed to enhance economic development opportunities, especially in rural communities in the state. The Business and Jobs Development Fund allocates funds to use for costs associated with the recruitment of companies to Idaho. The Rural Community Growth Management Initiative helps communities acquire qualified planning assistance to help facilitate the implementation of growth management strategies.

## THE CHALLENGE

Idaho Department of Commerce is committed to serving the growing needs and expectations of its customers in the most cost effective and timely manner. To fulfill this commitment, the department will:

- Create “customer-driven” systems and services to meet the needs of Idaho’s businesses and their employees
- Align department priorities, staff support and staff training with customer demands
- Empower department employees to design changes to meet customer demands
- Streamline processes to better meet customer demands
- Optimize the use and flexibility of available resources to fulfill customer demands
- Work with other state agencies, higher education, business and industry, economic development organizations, federal agencies and local governments to maximize the return on the public investment in the programs and services we provide

## Idaho Department of Commerce Goals

1. Create Jobs
2. Strengthen Communities
3. Market Idaho

### OBJECTIVES / AREAS OF EMPHASIS:

During this plan period, the Department will focus on:

- Improving business services
- Improving community infrastructure
- Raising awareness of Idaho as a place to live, work, visit and operate a business

### GOAL 1: Create Jobs

***Objective 1.1: Retain and expand existing businesses.***

- A. Introduce Idaho businesses to new markets through government contracting and international trade opportunities.
- B. Support individuals, business, economic developers, planners, grant applicants, local governments and other customers by developing and distributing demographic and economic materials to assist in business, education and economic decision-making.
- C. Market the availability of tax-exempt private activity bonds, educate the business community on their benefits and authorize bond issuance for approved business facilities expansion projects.
- D. Identify and assess the export readiness of Idaho's companies.
- E. Help companies engage in international trade through targeted trade missions, shows and events.
- F. Utilize international offices in China, Mexico, Taiwan, Korea, India, Japan, the United Kingdom, Germany, Italy, France, Belgium and Scandinavia to connect Idaho companies with international trade and tourism opportunities.
- G. Support business expansion through use of the Workforce Development Training Fund and assist qualified companies in its use.
- H. Communicate, through the Business Retention and Expansion Initiative, the availability of the Department's services to existing Idaho businesses.
- I. Investigate and develop new initiatives, processes and programs directed to enhance Idaho's large companies.

***Objective 1.2: Attract new businesses to Idaho.***

- A. Develop and implement a plan to strategically market Idaho.
- B. Market targeted regions of Idaho as locations for business expansion.
- C. Assist businesses with customized location searches.
- D. Participate in targeted trade shows and investment seminars.
- E. Conduct targeted missions to recruit companies interested in relocating or investing in Idaho
- F. Utilize available incentives to negotiate relocation agreements with businesses committing to relocate to Idaho.
- G. In conjunction with the state's international offices, develop and implement marketing materials that highlight Idaho's economic, tourism and industrial opportunities.

- H. Recruit private sector executives where appropriate to reach out to other private sector executives in targeted industry/company recruitment efforts. (Top-to-Top)

***Objective 1.3: Support entrepreneurial development.***

- A. Provide information and technical assistance to those interested in starting a business in Idaho.
- B. Provide financing opportunities in the state.
- C. Help companies identify new market opportunities.
- D. Support entrepreneurial development through education, workforce training and economic development programs.

***Objective 1.4: Strengthen Idaho's science and technology industry.***

- A. Build, attract and retain a highly skilled, technical workforce.
- B. Invest in creating research and development excellence and promoting industry-university collaboration.
- C. Facilitate commercialization of technology developed in Idaho.
- D. Invest in the infrastructure needed to support a technology-based economy.
- E. Foster a statewide culture of technology entrepreneurship that stimulates and supports new firm formation.
- F. Establish a national and international image for Idaho as a leading technology center.

## **GOAL 2: Strengthen Communities**

***Objective 2.1: Upgrade public facilities necessary for job creation.***

- A. Distribute over \$10 million in federal and state funds to Idaho's communities each year for public facility improvements, strengthening the ability to attract and expand businesses.
- B. Assist communities in providing public infrastructure for business expansion, attraction and job creation.
- C. Provide technical assistance to help cities and counties apply for grants to construct and rehabilitate public facilities such as sewer, water, streets, emergency facilities, senior centers and housing.

***Objective 2.2: Help communities establish and sustain local development efforts and organizations and create effective economic development strategies.***



- A. Fund, organize and train economic development professionals in rural Idaho.
- B. Coordinate, sponsor and engage in leadership training activities throughout rural Idaho.
- C. Organize, train and certify Gem Communities.
- D. Develop and offer the annual Northwest Community Development Institute, sponsoring scholarships and training as needed.
- E. Assist local communities with innovative growth management strategies.
- F. Educate community and business leaders about the importance of international trade and the resources available to help local businesses through programs and partnerships.

***Objective 2.3: Support the Idaho Rural Partnership to strengthen communities and improve life in rural Idaho.***

- A. Assess conditions of rural Idaho.
- B. Develop and promote private-public coordination and partnerships.
- C. Seek solutions to unnecessary impediments to rural development.

***Objective 2.4: Advocate improvements in services and facilities that benefit Idaho's economy nationally and internationally.***

- A. Support the efforts of economic task forces and local economic development associations, such as city and county associations, the Idaho Association of Commerce and Industry, the Idaho Economic Development Association, the Idaho Chambers of Commerce and others in eliminating barriers to economic activity.
- B. Use the Idaho Rural Partnership and state, federal and regional agencies to support economic development efforts in rural areas.
- C. Consult with and inform Idaho's legislators concerning the department's ongoing activities.
- D. Advocate improvements in transportation services within and connecting to Idaho, including air service, railroads, seaports and highways.
- E. Support improvements in all aspects of Idaho's educational system including K-12, professional-technical training, community colleges and universities.
- F. Promote continued expansion and improvement of Idaho's communications infrastructure, particularly in rural parts of the state.
- G. Support continued improvement in the quality of public land management both in terms of resource management and in recreational opportunities.

- H. Participate in efforts to improve, focus and expand Idaho's national and international recognition.

### **GOAL 3: Market Idaho**

#### ***Objective 3.1: Raise brand awareness of Idaho's attributes.***

- A. Continue to implement a branding strategy that uses a consistent message, look and feel in all external Idaho marketing materials produced by the state, encouraging other state agencies to adopt the same.
- B. Share state research and marketing strategies with all private sector companies, tourism interests and economic development organizations interested in promoting Idaho.
- C. Engage in public-private partnerships to market Idaho.
- D. Raise national and international awareness of Idaho through feature articles and media coverage in print, radio, TV and the Internet.
- E. Develop a results-based advertising campaign and share results with the private sector.

#### ***Objective 3.2: Market Idaho's products and services domestically and internationally.***

- A. Utilize the marketing plan to market Idaho as a place to do business.
- B. Promote Idaho products and services in the targeted international markets of Japan, Korea, China, Taiwan, India, Mexico, Germany, Scandinavia and Canada.
- C. Leverage international sister-state relationships with Mexico, Canada, China, Taiwan, Japan and Korea to expand awareness of Idaho's products and services.
- D. Provide protocol and diplomatic services for international visitors.
- E. Continue to explore business opportunities in targeted countries, lead trade missions and host incoming delegations.

#### ***Objective 3.3: Develop and market Idaho's travel attractions and recreation industry—regionally, nationally and internationally.***

- A. Advertise Idaho's tourism attractions in key domestic markets.
- B. Distribute/share tourism promotion leads with communities, tourism businesses and nonprofit organizations.
- C. Distribute tourism promotion grants to local communities and nonprofit organizations.
- D. Create and distribute the Official Idaho Travel Guide electronically and in print.

- E. Attend tourism industry trade and consumer shows in key domestic and international markets.
- F. Solicit film and commercial television projects to Idaho.
- G. Solicit, attract and promote tourism events to and in Idaho.

***Objective 3.4: Conduct a marketing effort that will increase awareness of, and access to, the Idaho Department of Commerce's information and services.***

- A. Communicate the benefits and services of Idaho Department of Commerce.
- B. Continue to develop and improve support materials for trade shows and other consumer-focused activities.
- C. Update electronically and in print the Department of Commerce's *Idaho at a Glance* brochure.
- D. Update electronically and in print Department of Commerce's *Idaho Facts* brochure.

## **ADDENDUM**

### **ADMINISTRATION DIVISION**

The Idaho Department of Commerce's Administration Division will provide fiscal, human resource, information technology and administrative support to the department.

- A. Prepare, administer and account for department budget.
- B. Maintain personnel services.
- C. Provide information technology services.